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AGRICULTURAL MARKETING SERVICE
COTTON DIVISION
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Weekly Cotton Market Review
(Week ended January 27)

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Spot cotton prices trended lower, according to the Cotton Division, Agricultural Marketing Service, USDA. Trading was less active. Grower offerings were limited. Merchant demand was confined mainly to selected qualities needed to cover nearby needs. Domestic and foreign mills made limited purchases. Forward contracting of the 1983 crop by growers was more active. Inclement weather kept final harvesting to a minimum. The daily rate of cotton consumption by domestic mills during December was higher than a year ago. December exports declined from a month earlier. There was widespread interest in the PIK program. Merchants had a wide range of prices out. A few merchants and growers in the Delta states negotiated trades. Prices paid for 1982 crop PIK's were generally around 55.00 cents per pound, basis grade 41 staple 35, mike 35-49, or around 50.00 cents per pound, hog-round.

Spot cotton prices weakened and on Monday, January 24, the nine market average price for grade 41 staple 34, mike 35-49, declined to 59.96 cents per pound. This was the first time in over two weeks prices have averaged below 60.00 cents per pound. Prices ended the week on Thursday, January 27, at 60.05 cents. This compares with 60.55 cents a week earlier and 58.13 on the corresponding Thursday last season. The New York March 1983 futures settlement price ended the week on Thursday at 65.22 cents per pound compared with 66.28 cents a week earlier. The December settlement price was 67.26 cents against 68.51 cents last Thursday.

Trading on spot cotton markets was light to moderate. Grower offerings were limited. Merchant demand generally remained best for higher grades needed to fill previous sales commitments but supplies of these qualities were becoming short in some markets. Some merchants raised their buying basis in an effort to attract offerings. Domestic mill purchases remained light. Export trading was steady. Far Eastern mills made the bulk of purchases. Cotton exchanges in the designated markets reported purchases totaling 302,800 bales in the week ended Thursday, January 27. This compares with 259,100 bales a week earlier and 439,900 in the corresponding week last season.

Textile mill report. Mill buying continued at a slow but steady pace. Purchases of all U. S. growths were reported but demand was best for California growths. Buying for prompt or nearby delivery accounted for the bulk of trading. Interest in cotton for summer and later shipment increased. A few mills bought cotton for delivery into fourth quarter months. Sales of finished goods remained mixed. Denim and selected yarn sales were about steady. Demand for corduroy increased. Sales of automotive, industrial and household products remained generally slow. Workweeks ranged from five to seven days with most mills on five day schedules. Interest in PIK cotton was high but no purchases were reported. In general, mill buyers believe that PIK purchases will be limited to trades with merchants and shippers with guaranteed quality a prerequisite.

CCC loan entries of 1982-crop cotton totaled 3,219,300 running bales through January 12. Repayments had been made on 244,200 bales. Loans were outstanding on 2,975,100 bales, of which 1,388,800 were Form A (producer) and 1,586,300 were Form G (cooperative) loans. Entries of 1981-crop cotton totaled 6,083,300 bales. Repayments had been made on 3,254,200 bales. Loans were outstanding on 2,749,700 bales, of which 1,736,500 were Form A and 1,013,200 were Form G loans. Forfeitures totaled 79,500 bales through January 12. Loans remained outstanding on 112,300 bales of 1980-crop cotton.

Domestic mill consumption of cotton averaged 17,200 running bales per day in the five weeks ended January 1, according to the Bureau of the Census. This was up from 16,000 bales in December 1981 but down from 19,500 bales a month ago. Mills used 429,800 bales during December bringing consumption for the first 22 weeks this marketing year (August-December) to 2,096,000 bales. This was equivalent to about 40 percent of USDA's January 14 domestic consumption estimate of 5.4 million bales of 480 pounds, net weight (about 5,184,000 running bales). Through the first 22 weeks last season, mills had used 2,196,600 bales or about 44 percent of the total for the season. Domestic mills must consume about 102,900 running bales per week or about 20,600 bales per day for the remainder of the season if the estimate is to be reached.

Consumption of manmade fibers by domestic mills with cotton system spindles totaled 134.1 million pounds (about 279,400 bales of 480 pounds, net weight) during the five weeks ended January 1, according to the Bureau of the Census. This brought consumption for the first 22 weeks (August-December) this season to 669.2 million pounds (about 1,394,200 bales of 480 pounds). August-December consumption last season (22 weeks) totaled 760.8 million pounds (about 1,585,000 bales of 480 pounds).

Stocks of cotton at mills totaled 699,000 running bales on January 1, according to the Bureau of the Census. This was the smallest end-of-December stocks at mills since records began in 1912 and compares with 634,500 bales a month earlier and 757,100 bales at the end of December last year. At the December rate of consumption, mill stocks were equivalent to about eight weeks' supply. Cotton in public storage totaled 11,203,400 running bales on January 1, the largest end-of-December stocks since 1967. Public storage stocks totaled 10,189,800 bales a month earlier and 9,267,500 bales at the end of December 1981.

Exports of cotton from the United States totaled 377,100 running bales during December, according to the Bureau of the Census. This was the smallest December volume since 1976. A month earlier, 382,300 bales were shipped and 731,500 bales were exported in December 1981. Shipments during the first five months this season totaled 1,745,100 bales compared with 1,915,200 bales a year earlier and 2,009,000 bales two years ago.

Cotton ginned in the United States prior to January 15,
by states, crops of 1981 and 1982

State	1982	1981	State	1982	1981
Running bales			Running bales		
United States	10,979,605	14,275,900	Missouri	194,819	157,384
Upland	10,892,381	14,204,120	New Mexico	66,422	116,092
American Pima	87,224	71,780	Upland	62,700	113,711
Alabama	431,743	396,846	American Pima	3,722	2,381
Arizona	985,329	1,409,491	North Carolina	99,482	95,553
Upland	927,891	1,362,357	Oklahoma	198,719	396,952
American Pima	57,438	47,134	South Carolina	139,683	150,670
Arkansas	524,057	601,509	Tennessee	323,041	301,892
California	2,856,721	3,308,801	Texas	2,410,365	4,947,892
Georgia	218,678	150,344	Upland	2,384,301	4,925,627
Louisiana	839,086	715,953	American Pima	26,064	22,265
Mississippi	1,677,042	1,509,261	All other states	14,418	17,260

Source: Bureau of the Census.

United States Department of Agriculture, Agricultural Marketing Service, Cotton Division

Cotton: Domestic mill consumption, consumption per day, stocks and exports, running bales, by months and seasons, 1978-1982

Season beginning August 1	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Season
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
	459	569*	482	595*	435	603*	471	506	584*	484	489	503*	6,180
1978	472	482	630*	482	436	604*	507	513	622*	496	478	487*	6,209
1979	443	456	597*	458	475*	435	446	539*	435	441	531*	385	5,641
1980	429	517*	448	403	400*	378	398	493*	410	392	460*	317	5,043
1981	386	474*	416	391	430*								
1982 3/													
	22.9	22.8	24.1	23.8	21.7	24.1	23.6	25.3	23.4	24.2	24.5	20.1	23.3
1978	23.6	24.1	25.2	24.1	21.8	24.2	25.4	25.7	24.9	24.8	23.9	19.5	23.9
1979	22.1	22.8	23.9	22.9	19.0	21.8	22.3	21.5	21.7	22.1	21.3	19.2	21.7
1980	21.4	20.7	22.4	20.1	16.0	18.9	19.9	19.7	20.5	19.6	18.4	15.9	19.4
1981	19.3	19.0	20.8	19.5	17.2								
1982 3/													
	1,065	1,032	1,015	1,003	1,051	1,050	1,070	1,099	1,095	1,066	969	927	-
1978	850	749	648	730	833	900	989	1,071	1,132	1,099	1,002	955	-
1979	891	784	743	750	831	947	1,038	1,105	1,078	1,023	937	883	-
1980	810	695	663	673	757	822	884	917	911	901	871	830	-
1981	750	671	611	635	699								-
1982 3/													
	3,462	3,434	5,314	6,232	7,863	7,690	6,884	6,035	5,062	4,174	3,278	2,605	-
1978	2,198	1,880	3,785	6,898	8,163	7,739	6,558	5,299	4,084	3,126	2,341	1,822	-
1979	1,509	1,578	3,181	5,071	5,927	5,847	5,109	4,227	3,470	2,807	2,199	1,688	-
1980	1,491	1,940	4,060	7,064	9,267	9,489	8,882	7,921	7,112	6,292	5,544	5,269	-
1981	5,008	5,293	7,575	10,190	11,203								-
1982 3/													
	524	388	283	355	464	517	577	574	602	542	614	410	5,850
1978	463	428	390	630	902	737	1,025	1,150	916	911	686	540	8,779
1979	402	393	237	436	541	669	688	733	498	458	320	264	5,639
1980	233	211	262	478	732	653	754	873	676	484	498	396	6,249
1981	342	351	293	382	377								
1982 3/													

1/ Consumption figures relate to four-week months except as noted. Daily consumption rates calculated on the basis of 20 days for four-week months and 25 days for five-week months with no allowance for holidays. Season totals not necessarily sums of monthly figures because of adjustments.

2/ Data refer to a particular day near the end of the month.

3/ Preliminary.

* Five-week month.

Compiled from Bureau of the Census reports.

United States Department of Agriculture, Agricultural Marketing Service, Cotton Division

New York futures contract settlement, designated spot market average for grade 41 staple 34 and 'A' index cotton prices in cents per pound

Date	Grade 41 Staple 34					9-market average	Grade 31 Staple 35 'A' Index 1/
	Futures Settlement						
	Mar '83	May '83	Jul '83	Oct '83	Dec '83		
Jan. 20	66.28	67.52	68.52	67.90	68.51	60.55	72.75
21	66.06	67.20	68.26	67.60	67.92	60.40	72.80
24	65.53	66.80	67.85	67.10	67.50	59.96	72.80
25	65.12	66.62	67.62	66.80	67.22	59.70	72.65
26	65.12	66.50	67.67	66.75	67.14	59.70	72.55
27	65.22	66.62	67.70	66.90	67.26	60.05	72.65

1/ C.I.F. Northern Europe price furnished by Cotton Outlook of Liverpool.

New Orleans futures contract settlement and designated spot market average for grade 41 staple 32 in cents per pound

Date	Grade 41 Staple 32					5-market average 1/
	Futures Settlement					
	Mar '83	May '83	Jul '83	Oct '83	Dec '83	
Jan. 20	58.17	60.15	61.35	-	59.65	54.69
21	57.80	59.80	61.00	-	59.25	54.56
24	57.65	59.65	60.80	-	59.25	54.19
25	57.40	59.45	60.50	-	59.25	53.94
26	57.35	59.45	60.50	-	58.00	53.94
27	56.75	59.25	60.45	-	58.00	54.00

1/ Greenville, Montgomery, Memphis, Dallas and Lubbock.

U. S. upland cotton export sales and exports, in running bales, for week and year, marketing years 1981-82 and 1982-83

Description	MARKETING YEAR			
	1981-82		1982-83	
	Through January 21		Through January 20	
	Week	Marketing year	Week	Marketing year
Outstanding sales	-	3,371,900	-	1,735,200
Exports	206,100	2,369,400	90,300	1,961,700
Total export commitments	-	5,741,300	-	3,696,900
New sales	164,800	-	88,800	-
Buy-backs and cancellations	39,900	-	8,800	-
Net sales	124,900	-	80,000	-
Sales next marketing year	6,900	109,500	1,000	50,300

Source: Export Sales Reporting Division, Foreign Agricultural Service, USDA.

Upland cotton export sales totaled 80,000 running bales during the week ended January 20, according to the Foreign Agricultural Service, USDA. This was 13 percent above the four-week average but well below sales a week earlier. The major buyers were Japan 22,900 bales; South Korea 16,200; Taiwan 12,800 and Thailand 12,000 bales. Weekly exports continued steady at 90,300 bales with Asian destinations accounting for 78 percent of the week's shipment and European destinations 15 percent.